# Beating Lotus Notes

## The Next Eighteen Months

## Evslin's Fables - 1

Once upon a time there was a smart guy named Dan Bricklin who started a company called Software Arts and invented a product called VisiCalc which made people more productive. He wasn't very interested in marketing so he made a deal with an unpleasant guy named Fylstra who started a company called VisiCorp to market VisiCalc. They both made lots of money.

People liked the product and wanted to do even more with it than it could do like integrate graphics and enter more than 64 columns and 256 rows. But there were lots of politics in VisiCorp and they wanted to make VisiCalc into an operating environment named VisiOn so the only new version that shipped was for the Apple III. Lotus did what users wanted with 1-2-3 and ate VisiCorp's lunch.

## Evslins Fables - 2

Once upon a time there was a smart guy named Ray Ozzie who started a company called Iris and invented a product called Notes which made people more productive. He wasn't very interested in marketing so he made a deal with an unpleasant guy named Manzi at a company called Lotus to market Notes. They both made lots of money.

People liked the product and wanted to do even more with it than it could do like messaging and enterprise-wide collaboration. But there were lots of politics in Lotus and they wanted to make Notes into an operating environment so the only new version that shipped was for OS/2. Microsoft did what users wanted with EMS and ate Lotus' lunch.

## Why Do We Care?

- ◆ Not because of revenue
- ◆ Notes threatens Windows
  - ▲ "People live in Notes"
  - ▲ "Notes is an application development platform"
  - ▲ "Windows is the C: prompt."
- ◆ Notes threatens Office
- ◆ Notes threatens Cairo

# Notes Strengths

- Product
  - Conferencing
  - Forms and views
  - Cross platform
- Defines the workgroup category
- PR
  - Perception of momentum
  - Lotus stock price

- Customer investment
- Lotus focus
- It's in and it's groovy
- The Notes industry
  - VARs
  - ISVs
  - Consultants
- IRIS

# Notes Weaknesses

- Messaging
- Scalability and administration
- cc:Mail bitterness
- Not really in the OS
- ISV relationships
- No other server products
- Manzi hates bad news
  - shoots messengers
  - gets shortsighted

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# Strategy Overview

- Establish current successes
- Better product
- Establish Information Exchange category
- Exploit product synergy
- Strength in evangelism
- Exploit installed base
- Alliances
- Your help

# NonStrategy

- Run down Notes
  - Analysts love it
  - We don't want early adopters to feel stupid
  - It would be sour grapes
- Try to position as a better Notes than Notes
- Call this Microsoft's answer to Notes

  It is our answer to what customers tell us they want to do. This includes many functions also included in Notes as well as many things, like great email, that Notes can't do. We expect customers will compare these products in many cases.

# Current Success

- ◆ A well kept secret

- ◆ Outsold cc:Mail two years running
  - ▲ this does not count every Office and WfW
  - ▲ server share bears this out  ·

- ◆ Installed base 4,000,000

- ◆ Schedule Plus at 1,000,000

- ◆ Notes at 500,000
  - ▲ Manzi predicted 1,000,000 by 1/1/94
  - ▲ Notes sold 250,000 in 1993 (according to Lotus)

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# Product Strengths

- ◆ Better messaging system than Notes
- ◆ Better information exchange than email systems
- ◆ Directory synchronization
- ◆ Native X.400 MTA
- ◆ Administration
- ◆ WAN support
- ◆ Easy view design for end users
- ◆ Richer development environment than Notes or email systems
- ◆ Gateways and gateway developer kit
- ◆ User interface
- ◆ Rules
- ◆ Chicago integration of UI and APIs
- ◆ Integrated scheduling, calendaring & task management

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# Product Weaknesses

- Lack of computed fields in views
- Lack of content indexing
- Lack of built-in digital signature and encryption support (looking for 3d party solution)
- Weaker reporting & printing than Notes
- NT/AS server only
- Notes' established ISV community
- No Mac and UNIX clients at ship
- No cross-platform forms solution

# Positioning of Information Exchange

Implementation of Information at Your Finger Tips vision

- The public message
  - Connects the computers on every desktop and in every home
  - Information access on the desktop, information dissemination and sharing on servers and CDs, information supplied online

- Implicit in the message
  - The reality in the info hiway hype
  - A unifying theme for Microsoft products
  - Something only Microsoft can do

## Objectives for Information Exchange

- ◆ Establish Windows as the premier view into shared information (not Notes!)

- ◆ Establish Windows APIs as the premier APIs for information sharing - even with Notes

- ◆ Establish Microsoft servers as the best way to share information

    - ▲ within and between enterprises

    - ▲ commercially

    - ▲ to consumers

- ◆ Establish Marvel as the most accessible community for consumers and the most leveraged channel for providers

- ◆ Distinguish Microsoft apps by their information exchange capability

## Microsoft Exchange Server

- ◆ Overall positioning

    the best way to manage, distribute, and share information with anyone, anytime, anywhere

- ◆ Use of Information Exchange

    - ▲ New category beyond workgroup

    - ▲ Access built into Window

    - ▲ Exchange is an enterprise's online system

    - ▲ Exchange is supported by information providers

    - ▲ Marvel is a personal way to access Exchange

    - ▲ Exchange has both structured and unstructured views of information

    - ▲ Enterprise Exchange is the essential switch for information
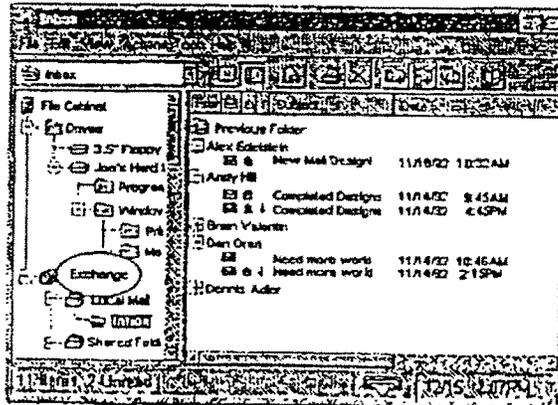
# Enterprise Exchange Service

- ◆ A Microsoft -owned commercial switch for interenterprise exchange of messages, directory info, and bulletin boards (Instead of MARS)

- ◆ Distinguishes both MSMail and Exchange

- ◆ Can be used as only server for a small enterprise (like Centrex)

- ◆ Includes 1-800-FINGER

- ◆ Probably host to Marvel

- ◆ Operation largely contracted

- ◆ Leverages Internet

  - ▲ Accessible thru Internet

  - ▲ Provides access to Internet

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# Information Exchange in Windows



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# Nomenclature Actions

- ◆ Name ems servers and clients Exchange clients and servers

- ◆ Use Exchange name in Chicago Explorer

- ◆ Use tagline "Windows with Information Exchange" for Windows 4.0

- ◆ Use tagline "Microsoft Office with Information Exchange" for Office '95

- ◆ Get "Exchange" or "Information Exchange" Into Marvel's name

  ▲ test effect on Marvel positioning

# Nomenclature Actions (cont)

- ◆ Describe Cairo as NT/AS with information exchange

  ▲ Exchange 1.0 unifies the inbox and the view of different data stores and directories

  ▲ Exchange 1.5 (Cairo) unifies the data stores and directories themselves

- ◆ Keep APIs out of the discussion where possible but, as a category, MAPI, ODBC, and DNA APIs are Information Exchange APIs

- ◆ Avoid public use of name of the Workgroup Division

  ▲ We are going to need to denigrate the workgroup category

  ▲ We are going to say "yeah, Notes is good for workgroups but doesn't scale to the enterprise level or beyond."

## Product Actions

- ◆ Implement Infocenter proposal in time for Office '95 including monikers

- ◆ Add data conferencing and possibly video conferencing to Exchange server as frosting in 1995

- ◆ Get Marvel capabilities into Exchange in 1995

- ◆ Get the capability to produce and view metafile based docfiles into Chicago ASAP
    - ▲ application independent documents for mail, public folders
    - ▲ format for information publishers
    - ▲ compete with Acrobat/Notes format

- ◆ Ship Internet access with Chicago

- ◆ Do fit and finish items in Capone/Chicago

## Other Actions

- ◆ Intensify and coordinate evangelism of information providers. Where appropriate. propose DocFiles with rich attributes as a format for:
    - ▲ CDs
    - ▲ Online Information
    - ▲ Information piped to corporate servers

- ◆ Get Enterprise Exchange up before Enterpise ship and publicize as an essential connecting component

- ◆ Create group in DRG to evangelize Information Exchange and its APIs

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# Other Actions (cont)

- ◆ Hold Information Exchange Event with BillG in Spring

- ◆ Have Mike, Steve, Bill mention Information Exchange constantly for three months

- ◆ Train WGD, Chicago, Marvel, later Office, marketing folk to say "Information Exchange" at least half as often as Jim Manzi says "Notes"

- ◆ JonL tell developers that Information Exchange is a ground floor opportunity akin to Windows 3.0 and help that come conspicuously true for some

# Calendar

- ◆ February - Momentum dinner in Boston, sneak preview

- ◆ March - Momentum dinner in Germany, long lead time press

- ◆ April - Broad Beta, BillG keynotes EMA and explains Information Exchange vision

- ◆ May - WindowsWorld, big developer event accenting Chicago APIs

- ◆ June - Mail Users Conference in Seattle. Official Launch. Beta user stories. ISV day.

- ◆ August - Ship It!

More nodes committed than Lotus has installed

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# Calendar (cont)

♦ cq4/94 - Exchange/ Branch Office Server ships

♦ cq4/94 - Exchange Development Kit ships

♦ cq1/95 - Office '95 ships with Information Exchange

♦ cq1/95 - Exchange 1.1 ships (really)

▲ Macclient

▲ UNIX client

▲ InfoCenter

▲ Server bug fixes only

♦ Summer/95 - Cairo

▲ Exchange Server 1.5 (?)

♦ Sometime - BackOffice ships (JimAll will explain)

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# Success is...

♦ Have committed customers in excess of Notes installed base at launch (est. 750,000)

♦ Migrate 40% of MS Mail installed base within 1 year of ship

♦ Switch 500,000 mainframe mail users within 18 months of ship

♦ Have 20% of total combined messaging and conferencing categories in FY95

♦ Hold Notes growth in CY94 to 350,000 seats

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# Help Needed

- Decide which APIs to evangelize when and all sing the same tune
    - depends on developer's anticipated ship date
    - depends on developer's market (desktop? server?)
    - depends on capability needed
    - doesn't depend on whom at Microsoft developer speaks to
- Support in MS apps (like the great stuff in recent SQL release)
- OEM (discuss)
- Field (discuss)

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